

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA

IN RE: . Case No. 22-20823-GLT
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. .
U LOCK INC, . 5414 U.S. Steel Tower
. 600 Grant Street
. Pittsburgh, PA 15219
Debtor. .
. January 27, 2023
. 10:00 a.m.

TRANSCRIPT OF #249 AND #278 HEARING ON ORDER TO SHOW CAUSE:
230 - AFFIDAVIT FILED BY SHANNI SNYDER; #231 - AFFIDAVIT
FILED BY CHRISTINE BIROS; #233 - DECLARATION OF GEORGE SNYDER;
#234 - SUPPLEMENTAL DECLARATION OF GEORGE SNYDER; #235 -
DECLARATION OF GEORGE SNYDER; #236 - STATUS REPORT FILED BY
CHRISTINE BIROS; #294 HEARING ON ORDER TO SHOW CAUSE: #258
APPLICATION FOR ADMINISTRATIVE EXPENSES FILED BY
CREDITOR CHRISTINE BIROS; #228 STIPULATION BY SHANNI SNYDER AND
BETWEEN CHARLES O. ZEBLEY, JR., CHAPTER 7 TRUSTEE, AND
ROBERT H. SLONE, CHAPTER 7 TRUSTEE; #255 MOTION FOR RELIEF FROM
STAY FILED BY CHRISTINE BIROS; #274 MOTION TO ENFORCE ORDER
CONFIRMING SALE OF TANGIBLE AND INTANGIBLE PERSONAL PROPERTY OF
THE ESTATE UNDER 11 U.S.C. SECTION 363(F) FREE AND CLEAR OF ALL
LIENS, CLAIMS AND ENCUMBRANCES FILED BY SHANNI SNYDER
BEFORE HONORABLE GREGORY L. TADDONIO
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: Law Office of J. Allen Roth
By: J. ALLEN ROTH, ESQ.
805 S Alexandria Street
Latrobe, PA 15650

ECRO: Hayley Smith

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J&J COURT TRANSCRIBERS, INC.
268 Evergreen Avenue
Hamilton, New Jersey 08619
E-mail: jjcourt@jjcourt.com

(609) 586-2311 Fax No. (609) 587-3599

APPEARANCES (Cont'd):

For Shanni Snyder,
Petitioning Creditor: Grenen & Birsic, P.C.
By: JOHN B. JOYCE, ESQ.
JEREMY J. KOBESKI, ESQ.
One Gateway Center, Suite 9W
Pittsburgh, PA 15222

For Christine Biros: Bernstein-Burkley, P.C.
By: ROBERT S. BERNSTEIN, ESQ.
LARA S. MARTIN, ESQ.
601 Grant Street, 9th Floor
Pittsburgh, PA 15219

For Christine Biros,
Lead Counsel in the
State Court Action: The Law Firm of William E. Otto
By: WILLIAM E. OTTO, ESQ.
4027 Old William Penn Highway
P.O. Box 701
Murrysville, PA 15668

TELEPHONIC APPEARANCES:

Chapter 7 Trustee: Mahady & Mahady
By: ROBERT H. SLONE, ESQ.
223 South Maple Avenue
Greensburg, PA 15601

Chapter 7 Trustee in
Shanni Snyder case: Zebley Mehalov & White, P.C.
By: CHARLES O. ZEBLEY, ESQ.
18 Mill Street Square
P.O. Box 2124
Uniontown, PA 15401

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1 ancillary item that I do need to address and this is somewhat
2 tangentially related and, again, getting -- running afoul of my
3 own admonition of not moving far afield from the matters at
4 hand, but one thing that was raised that has been also
5 troubling to the Court, is in the pleadings and the papers
6 there was a reference to the involvement of the North
7 Huntington Police Department at some point.

8 And there was a representation made that one of my
9 proceeding memos was given to the police department for the
10 purpose of expanding upon or explaining what was meant by the
11 Court's Order or in view of some sort of interpretation of what
12 that Order was. And, so, because that involves an allegation
13 against Mr. Otto, I'd like to hear from Mr. Otto with respect
14 to the circumstances there.

15 And by doing so, I want to remind Mr. Otto, to the
16 extent he's not aware, this is available on my website, is that
17 proceeding memos are not to be construed as orders of the
18 Court, they are not even to be construed as transcripts of what
19 happened in the Court, it is merely for the convenience of the
20 parties and the convenience of the Court to have a general
21 sense of what was discussed for the purpose of identifying
22 where documents and things may be worthy of further
23 examination. But, to the extent that there is a need for a
24 transcript the parties are directed to get the transcript
25 itself.

1 So, another concern I have is the use of a proceeding
2 memo and the suggestion that somehow that was viewed to be an
3 Order of the Court, or reflected upon the Court's authority of
4 what was and was not permitted. Can you address that for me?

5 MR. OTTO: Your Honor, I believe that what you're
6 referring to is a police report that Ms. Biros and I attempted
7 to file against an individual who was removing a video monitor
8 from the property. This was at a time after which you had
9 given control of the property to Ms. Biros, as well as the
10 Trustee and the Trustee did not give this individual
11 authorization to be on the site.

12 Ms. Biros has been accused throughout this proceeding
13 of either stealing Mr. Snyder's property or destroying it or
14 doing something with it and since this individual did not have
15 permission from either the Trustee, so far as I was able to
16 ascertain or from Ms. Biros, to be on the site. And we had the
17 license plate of his car, we did not know at that point who it
18 was but we reported it the following Monday to the North
19 Huntington Township Police. To my knowledge they took no
20 action other than an investigation. But, there was a question
21 of what authority did we have to control the site and that was
22 what I used your Opinion, or your transcript or the proceeding
23 memo.

24 THE COURT: So, you gave a copy of the proceeding
25 memo to the police.

1 MR. OTTO: Thank you. Yes.

2 THE COURT: Okay. And for what purpose was it given?

3 MR. OTTO: Because the North Huntington police
4 questioned why they should get involved in it. And because
5 they had been told by other people involved in this case that
6 Ms. Biros didn't own the property, didn't have the right to
7 keep people out and what was in that proceeding memo, in
8 essence, asserted that Ms. Biros did have that authority.

9 THE COURT: Okay. So, you used the proceeding memo
10 with an officer of the law to suggest that Ms. Biros had a
11 legal right to something.

12 MR. OTTO: I would say that's correct, yes, Your
13 Honor.

14 THE COURT: Okay. All right.

15 MR. OTTO: Your Honor, and I say this not as an
16 excuse, but I was not aware of the policy of this Court as to
17 proceeding memos. I will keep that in mind at all times
18 hereafter.

19 THE COURT: But, you've been represented by local
20 counsel throughout this entire time.

21 MR. OTTO: I understand that, Your Honor.

22 THE COURT: And you, when you practice and appear
23 before a Court, you are expected to be mindful of what the
24 rules of the Court are and what the Court's procedures are, are
25 you not?

1 MR. OTTO: I understand that, Your Honor.

2 THE COURT: All right, thank you.

3 MS. BIROS: Your Honor, may I ask you a question?

4 I'm sorry.

5 THE COURT: Go ahead.

6 MS. BIROS: The North Huntington Police Department

7 told us they had no authority in anything overseeing this.

8 They told us personally that they spoke to you.

9 THE COURT: I did not speak with the police
10 department.

11 MS. BIROS: They spoke to you --

12 THE COURT: They called my office --

13 MS. BIROS: Okay.

14 THE COURT: -- and the response from my office was,
15 as would be standard in any action, is that the Court's Orders
16 speak for themselves.

17 MS. BIROS: Okay.

18 THE COURT: But when we say that, we mean the Court's
19 Orders, not proceeding memos.

20 MS. BIROS: Okay.

21 THE COURT: And I'm very clear that proceeding memos
22 have no effect and no relevance, whatsoever, to anything and
23 should not be used in any fashion to suggest that they are
24 something beyond which they are, which is the simple notes of
25 the hearing.

1 All right. I think that concludes everything that's
2 set on the Court's agenda for today. Is there any other
3 matters that the parties want to raise with the Court at this
4 point?

5 All right. So, based on the following, I have
6 indicated that I will enter the Stipulation between Shanni
7 Snyder and Trustee Zebley and Trustee Slone, with the caveats
8 noted on the record. I will grant the Stay Relief Motion filed
9 by Christine Biros as indicated on the record. I will deny the
10 Motion to Enforce the Order confirming the sale of property
11 that is also subject to consent to Stay Relief for the purposes
12 of having a claim objection to the extent Ms. Biros seeks to do
13 one, against the Shanni Snyder claim and that will also
14 otherwise resolve the pending removed action.

15 I have the Order to Show Cause related to the Rule
16 9011 issues. That is going to be continued to a future date.
17 I've outlined what I think my initial reactions are to the
18 Motion to give the benefit of the Court's insights but I expect
19 that it's incumbent upon Ms. Biros and Mr. Bernstein to justify
20 the number why \$144,000 was reasonable and if it is reasonable
21 to tell me why in the context of this case and the proof of
22 claim and, furthermore, why any possible objections that might
23 exist from other parties would be relevant to that discussion,
24 particularly if the Trustee could consent to a number that
25 would otherwise be considered by the Court. So, that will be

1 set for a future date.

2 And then with respect to the two Show Cause Orders,
3 I'm sorry, one Show Cause Order but it's issued against George
4 Snyder and Christine Biros, I have my record at this point, so
5 I'll take another look at that and issue an Order based on
6 those considerations.

7 So, with that, I appreciate the parties hanging in
8 there for what has been a prolonged day but I think
9 notwithstanding that we have consolidated a number of issues,
10 made some progress which is more than I can say in other
11 instances with this case, but I'm going to end with what I
12 started, which is, I want folks to think twice about what they
13 file, what they do and how they proceed in this matter because
14 I'm not tolerating any more shenanigans and I'm not tolerating
15 any items that go beyond what is permissible in these actions.
16 That has prolonged this case too long and too far and cost too
17 much in expenses and I think from the Show Cause Orders the
18 Court has set the tone at this point that to the extent
19 necessary, I will address these issues vigorously going
20 forward. So, with that we will consider the matter to be
21 concluded. The Court will now stand adjourned and we will
22 close the record. Thank you for your participation again, have
23 a good weekend.

24 ALL: Thank you, Your Honor.

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C E R T I F I C A T I O N

WE, ALYCE H. STINE, TAMMY DeRISI and ELAINE HOWELL,
court approved transcribers, certify that the foregoing is a
correct transcript from the official electronic sound recording
of the proceedings in the above-entitled matter and to the best
of our ability.

/s/ Alyce H. Stine

ALYCE H. STINE

/s/ Tammy DeRisi

TAMMY DeRISI

/s/ Elaine Howell

ELAINE HOWELL

J&J COURT TRANSCRIBERS, INC. DATE: January 31, 2023